

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/CS/CS/CS/SB 1316

SPONSOR: Appropriations Subcommittee on Transportation and Economic Development,
Governmental Oversight & Productivity Committee, Natural Resources Committee,
Communication and Public Utilities Committee and Senator Bennett

SUBJECT: Renewable Energy

DATE: April 13, 2004

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Wiehle</u>	<u>Caldwell</u>	<u>CU</u>	<u>Fav/CS</u>
2.	<u>Branning</u>	<u>Kiger</u>	<u>NR</u>	<u>Fav/CS</u>
3.	<u>Rhea</u>	<u>Wilson</u>	<u>GO</u>	<u>Fav/CS</u>
4.	<u>Arthur</u>	<u>Kelly</u>	<u>ATD</u>	<u>Fav/CS</u>
5.	<u> </u>	<u> </u>	<u>AP</u>	<u> </u>
6.	<u> </u>	<u> </u>	<u> </u>	<u> </u>

I. Summary:

The bill creates the Florida Alternative Energy Technology Center, Inc. (Center). The bill creates an as yet unnumbered section of the Florida Statutes.

II. Present Situation:

There is no entity similar to the Florida Alternative Energy Technology Center. Related research is conducted by state universities and by the Florida Solar Energy Center. The state energy program, provided for in s. 377.703, F.S., coordinates federal energy programs, promotes energy conservation in all energy use sectors throughout the state, and coordinates energy-related programs of state government.

III. Effect of Proposed Changes:

Section 1. Provides legislative intent regarding the need for the Florida Alternative Energy Technology Center, Inc., and creates the center as a not-for-profit corporation. "Alternative energy technology" is defined to include, but is not limited to: hydrogen fuel; fuel cells; distributed generation; biodiesel and similar synthetic fuels; thermo-depolymerization; biomass; agricultural products and byproducts; municipal solid waste, including landfill injection and landfill mining; landfill gas; solar thermal and solar photovoltaic energy; ocean energy, including wave or thermal; energy conservation, including appliance efficiency standards; distributed generation; enhancements to transmission of electricity, including advanced transmission lines; and environmental standards.

The Center is to be the principal alternative energy technology organization for the state and is to provide leadership for research and development on the production of, improvements in, or use of alternative energy technology in Florida. It is to have the following duties:

- establish a unified approach to research, development, and use of alternative energy technology, with the cooperation of the Governor, the Legislature, the Energy Office, the Statewide Board of Governors of the State University System, the Public Service Commission, and relevant businesses in the private sector;
- assist the Florida universities and the private sector in determining areas on which to focus research in alternative energy technology and to assist in coordinating research projects among the universities and relevant private sector entities;
- promote the state as a location for businesses having operations related to alternative energy technologies in cooperation with Enterprise Florida, Inc., and the state Energy Office;
- assist universities, other state entities, and private companies in raising funds from all available resources including federal, state, local, and private, for research and development concerning alternative energy technology and for projects which utilize alternative energy technology in Florida;
- collect and maintain information relating to: funding sources (public and private), research conducted or needed, and alternative energy technology businesses considering operations in Florida;
- make policy recommendations to Legislature, Governor, and state agencies and subdivisions.

Additionally, the Center may conduct research when the particular research is not or cannot be done by a state university, and the Center may involve universities or private companies in the research.

In performing these duties, the Center is required to ensure maximum benefit to the state and is required to act in the best interest of the state. As part thereof, the Center shall establish strategic priorities consistent with certain findings to guide funding allocations and ensure the best use of available resources.

The Center's board of directors includes the following members:

- A representative from the state energy program, selected by the Governor;
- A representative from the Enterprise Florida, Inc., selected by its board of directors;
- A representative from the Statewide Board of Governors of the State University System, selected by the members of that board;
- A representative from the Florida investor-owned electric utilities. The Governor shall select this member from a list of four persons provided by these utilities;
- A representative from the Florida municipal electric utilities and rural electric cooperatives. The Governor selects this representative from a list of four persons provided by these utilities.
- A representative selected by the President of the Senate who is a board member or executive officer of a business that is located in Florida and that does not have any business interests relating to energy who can provide guidance as to locating and operating a business in this state.

- A representative selected by the Speaker of the House of Representatives who is a board member or executive officer of a business that is located in Florida and that does not have any business interests relating to energy who can provide guidance as to locating and operating a business in this state.
- A representative selected by the Governor from an environmental group who is informed about energy matters of the state.

Terms are for a period of 2 years, except that the bill provides for staggering of the initial terms in order to ensure continuity on the board.

Vacancies on the board must be filled in the same manner as the original appointment. Vacancies shall be filled for the remainder of the unexpired term, where applicable.

The board must select a chairperson biennially, upon appointment of all new members. Also, the board must meet at least four times each year, upon the call of the chairperson, or at the request of a majority of the membership.

Members of the board serve without compensation, but members, the president, and staff may be reimbursed for all reasonable, necessary, and actual expenses.

Each member of the board who is not otherwise required to file a financial disclosure statement must file such a disclosure statement as required pursuant to s. 112.3145, F.S.

The powers and duties of the board are specified.

Distributions shall be made to the corporation from the Florida Electric Energy Trust Fund under a contract between the Public Service Commission and the corporation, including any funding that is directed by the Legislature to be paid to a specific recipient.

The bill provides that all property of the corporations shall revert to the State upon dissolution of the corporation.

By December 1 each year, the corporation must submit an annual report to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the chairman of the Statewide Board of Governors. The report must include a description of the Center's activities and accomplishments; an annual financial accounting by an independent certified public accountant; a statement of its strategic priorities and their use in guiding resource allocations; and any recommendations the Center has for action by the Legislature or by the agencies of state, county or municipal governments to foster development or use of alternative energy technology.

Section 2. Provides that the bill takes effect upon becoming a law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

The bill provides that the corporation is explicitly subject to the requirements of ch. 119, F.S., the Public Records Law, and ch. 286, F.S., relating to public meetings and records. While explicitly stating this provides notice to the public and the corporation regarding the applicability of those provisions, the corporation would likely be subject to these requirements as *an agency acting on behalf of the state* as interpreted by the Florida Supreme Court in *News and Sun-Sentinel Company v. Schwab, Twitty & Hanser Architectural Group, Inc.*¹

C. Trust Funds Restrictions:

None.

D. Other Constitutional Issues:

None.

V. Economic Impact and Fiscal Note:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

The bill does not require establishment of performance levels or provide for periodic performance audits by OPPAGA.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.

¹ 596 So.2d 1029 (Fla. 1992).